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Part 1: News Analysis

Reports this week that a closed Turkmen court has handed down lengthy prison sentences to Akmurat Rejepov, the former head of the presidential security service and until April the head of the State Security Council, the highest government body; his son; and a business associate has provoked questions about the nature of Berdymukhamedov's presidency as a whole. Is President Berdymukhamedov distancing himself from the previous regime and taking a stand against commercial and political corruption? Or is he perpetuating his predecessor's pattern of abusing presidential influence to eliminate political rivals and settle political scores?

If the government had wanted to make an example of the case, it would have been in its interests to publicize it. However, the government has issued no information about the case since a terse statement on May 15 that Akhmurat Rejepov, who served for 17 years under Niyazov and 3 months under Berdymukhamedov, had been "relieved of his duties." Details of the trial have emerged instead from émigré commentators at gundogar.org and the independent Russian newspapers Vremya novostei and Kommersant. According to reports, Akhmurat Rejepov was sentenced to 20 years on charges of "abuse of office" and "corruption" – effectively a life sentence -- and Numurat Rejepov and Murat Agaev were sentenced to 13 and 17 years, respectively. Their current whereabouts are not known. Kommersant speculates that the government has made no official announcement of the trials of the three figures involved in the company Oriental because they still hope to trace some of the "Turkmenbashi gold" and to dismantle Niyazov's cult of personality gradually.

Vremya novostei claims that Numurat Rejepov was taken under guard to United Arab Emirates in order to force him to turn over access to bank accounts where he allegedly kept profits from companies under his father's control. According to gundogar.org, Murat Agaev was transported to Turkey and the United Arab Emirates in order to transfer to Turkmen national security agents the rights to his real estate, property and bank accounts.

According to gundogar.org, Oriental traded in alcohol and cigarettes, and reportedly also had offshore holdings of real estate and cash. It also alleges that the company was given considerable leeway to engage in business in Turkmenistan and abroad as it had the protection of Rejepov, then chief of security, and involved Niyazov's own son and his business associate, Agaev, who managed the company. Other government officials from the Niyazov era who are still in the current government also reportedly gave testimony in the case, as did foreign businessmen reportedly kept from leaving Turkmenistan, developments which have prompted speculation that further arrests and trials may follow. Last month, President Berdymukhamedov closed the International Saparmurat Niyazov Fund, rumored to be involved in funneling state funds abroad to opaque offshore accounts, and set up a commission to audit the past president's affairs whose findings have not yet been made public.

The Turkmen leader will likely travel to the United Arab Emirates soon, as he received the UAE ambassador, who transmitted an invitation for an official visit, and remarked favorably on long-term cooperation.

Part 2: News Digest

The digest of primary news and information sources from which this News Analysis is in part derived is available in the News Digest -- Part 2 of the *Turkmenistan Weekly News Brief* -- which is attached. This week's Digest includes the following:

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1. INTERNATIONAL RELATIONS

a. Turkmen President Agrees to Take Part in SCO Meeting

Original title: *President of Turkmenistan Agrees to Take Part in Bishkek Summit of SCO.* Synopsis prepared by OSI Turkmenistan Project.

Source: AKIpress/07/31/07

Full version: <http://kg.akipress.org/news/43822>

Synopsis: President Berdymukhamedov has agreed to take part in the August 16 summit in Bishkek of the Shanghai Cooperation Organization (SCO), AKI, the Kyrgyz news agency reported. The Kyrgyz Foreign Ministry announced July 30 that it had received confirmation from the Turkmen Foreign Ministry in response to an invitation to the summit sent by Kyrgyz president Kurmanbek Bakiev. The SCO was founded by Russia and China to foster economic cooperation in Central Asia.

b. Turkmen President Receives Uzbek Foreign Minister

Synopsis prepared by OSI Turkmenistan Project

Source: turkmenistan.ru/07/27/07

Full version: http://www.turkmenistan.ru/?page_id=3&lang_id=en&elem_id=10662&type=event&sort=date_desc

Synopsis: President Berdymukhamedov met with Uzbek Foreign Minister Vladimir Norov July 26 to discuss long-term partnership, turkmenistan.ru reported. Both countries noted the need to reactivate an intergovernmental commission for the purpose of expanding transportation by rail and car and to increase trade in general, particularly in the cotton sector. The need was acknowledged to exchange experience on seed selection and agricultural pest control.

Foreign Minister Norov noted that Uzbek President Islam Karimov fully supports the planned Turkmenistan-Chinese gas pipeline, which will run through Uzbekistan. Construction is already well underway. A summit is expected to be planned in order to sign various bilateral agreements on areas such as water management, tourism, and border protection. It is anticipated that a 2-year-program will be implemented to resume Silk Road travel.

c. UAE President Invites Turkmen Leader for Visit

Original title: *UAE President Invites Turkmen Counterpart to Visit His Country.* Synopsis prepared by OSI Turkmenistan Project

Source: BBC Monitoring Central Asia/07/30/07

Synopsis: President Berdymukhamedov received Abdullah al-Azab al-Zaruni, envoy of the United Arab Emirates, who conveyed an invitation to the Turkmen leader to visit the UAE on an official visit at any convenient time, BBC Monitoring Central Asia reported, citing Turkmen TV Altyn Asyr. The Turkmen leader sent his best wishes to the UAE president, and it was noted that the UAE is a reliable partner for Turkmenistan, which would look favorably on any projects to expand the relationship.

d. Tajikistan to Repay Debt to Turkmenistan and Resume Electricity Supply

Original title: *Turkmenistan To Resume Electricity Supplies to Tajikistan Starting October.* Synopsis prepared by OSI Turkmenistan Project.

Source: turkmenistan.ru/07/31/07

Full version: http://www.turkmenistan.ru/?page_id=3&lang_id=en&elem_id=10678&type=event&sort=date_desc

Synopsis: By decree of President Berdymukhamedov, Turkmenistan will resume its electricity supply to Tajikistan starting in October, turkmenistan.ru reported. Tajik consumers are to receive 1 billion kWh of Turkmen electricity by April 2008, and from 2008-2009 and 2009-2010 the Tajik State Aluminum Company and the Barq-i Tojik Joint Stock Company will also receive about the same amount. The price per 1 kWh is set at US 2.1 cents.

Turkmenistan ceased supply of electricity to Tajikistan in 1992-1993 in connection with a transit problem. It will now be resumed as a result of recent talks where energy companies of the two countries agreed that Tajikistan will repay its debt (approximately US \$5 million) over a three-year period. Turkmenistan has boosted electricity delivery by 11 percent and has exported 837 million kWh electricity to Afghanistan, Iran,

and Turkey. With the construction of a new power station in Dashoguz, electricity production will increase by an additional 1.7 billion kW/h.

e. Turkmen President Receives Belarusian Deputy Prime Minister

Original title: *Turkmenistan and Belarus Draw Up Cooperation Plans*

Source: *turkmenistan.ru/07/*

Full version: http://www.turkmenistan.ru/?page_id=3&lang_id=en&elem_id=10658&type=event&sort=date_desc

Synopsis: President Berdymukhamedov received Deputy Prime Minister Alexander Kasinets and other officials in a delegation from Belarus, *turkmenistan.ru* reported, citing the State News Agency (TDH). President Lukashenka has invited the Turkmen leader to visit Belarus. An interstate trade commission has been formed and both countries anticipate increased trade, primarily in the fuel and energy sector. The Turkmen president invited Belarusian partners to become involved in the development of the oil and gas deposits in the Turkmen sector of the Caspian Sea, to develop projects in the national tourist zone in the Caspian, and to bid on a tender for a large cement plant, to be announced soon. Education was also identified as a key area for cooperation, and 53 Belarusian universities were noted as being willing to admit Turkmen students as well as to open branches in Turkmenistan. Plans were also made to further cultural and sports activities, and direct flights are to be established between Minsk and Ashgabat.

f. Direct Flights Resume Between Ashgabat and Minsk

Original title: *Turkmenhowayollary Launches Direct Flight to Minsk Starting August 11*

Source: *Neitral'nyi Turkmenistan/07/29/07*

Full version: http://www.turkmenistan.ru/?page_id=3&lang_id=en&elem_id=10668&type=event&sort=date_desc

Synopsis: Direct flights between Ashgabat and Minsk on Boeing 747s will resume once a week on Saturdays, *Neitral'nyi Turkmenistan* reported on July 29.

2. DOMESTIC DEVELOPMENTS

a. Former Chief of Presidential Security, Son and Associate Sentenced to Lengthy Prison Terms

Original title: *Purges in Turkmenistan; The End of Niyazov's Business. Synopses prepared by OSI Turkmenistan Project*

Sources: *gundogar.org/07/31/07* and *Vremya novostei/07/31/07*

Full versions: Version: <http://www.gundogar.org/?0247044774000000000000011000000;>
<http://www.vremya.ru/2007/134/5/183765.html>

Synopsis: Akmurat Rejepov, former chief of presidential security for former president Saparmurat Niyazov and also for current president Gurbanguly Berdymukhamedov, was sentenced on July 31 to 20 years of imprisonment on charges of corruption and other offenses related to alleged abuse of office, *Vremya novostei*, the Russian daily online news service, reported, citing unofficial sources and other Russian news sources.

Vremya novostei also reported that Rejepov's son, Nurmurat Rejepov, a colonel in the Turkmen security services, was sentenced to 13 years, and Murat Agayev, a business associate and former head of the company "Orient", was sentenced to 17 years.

The motivation for the charges was said to be the desire of the new leadership of Turkmenistan to remove the influence the 3 men enjoyed under Niyazov. Rejepov served as Niyazov's bodyguard for nearly 17 years and was believed to be a possible successor, but Rejepov was fired three months after Berdymukhamedov came to power, and was later arrested along with other security officials.

Numurat Rejepov was brought under guard to the United Arab Emirates, where he had worked as a counselor in the Turkmen consulate in order to gain access to bank accounts where he allegedly held profits from companies under his father's control, reported *Vremya novostei*. Other Niyazov proteges will now fall

under the axe, émigré writer Ak Velsapar told *Kommersant*. Opposition figure Bayram Shikhmuradov, son of jailed former foreign minister Boris Shikhmuradov, believes that the decision to fire Rejepov and place him under house arrest was made by Berdymukhamedov after he returned from a summit meeting with Russian and Kazakh leaders, where he had allegedly sought their consent.

Under the Constitution, changed within days of Niyazov's death, the highest body of the government is the State Security Council, which has the right to remove the president and appoint another acting head of state. Rejepov became the chair of the State Security Council after Niyazov's death, but Berdymukhamedov took control and, after his election, felt confident enough to arrest his rival.

b. Turkmen Businessman Sentenced to 17 Years

Original title: *Prominent Businessman Murat Agaev Sentenced to 17 Years of Prison..*

Source: gundogar.org/07/31/07

Full version: <http://www.gundogar.org/?022500000000000000011062007070000#4764>

Synopsis: The trial of Murat Agaev, a prominent businessman and former head of the Orient company, took place in Ashgabat July 29. Agaev was arrested in May of this year and was pronounced guilty of corruption and sentenced to 17 years in prison. Agaev was involved with Akmurat Rejepov, a general and chief of presidential security, and his son, Nurmurat Rejepov, with whom he was in business.

After his arrest, Agaev was reportedly brought out of Turkmenistan and taken to Turkey and the United Arab Emirates in order to transfer to Turkmen national security agents the rights to his real estate, property and bank accounts. No news on the whereabouts of the Rejepovs following the trial was available.

c. Late President Niyazov's Son Said To Cooperate with Prosecution of Cronies

Original title: *Turkmenbashi's Bodyguard Burned on Cigarettes; Late President's Son Betrayed His Cronies*

Source: *Kommersant*/no. 135(3711)/08/01/07

Full version: <http://www.kommersant.ru/doc.aspx?DocsID=791623&NodesID=5>

Synopsis: Further details on the prosecution of three figures associated with the Niyazov regime have surfaced in the Russian daily *Kommersant*. The trial of Akmurat Rejepov, Niyazov's bodyguard who for three months also served as chief of Berdymukhamedov's presidential security, took place behind closed doors several weeks ago. The prosecution was reportedly facilitated by testimony from Murat Niyazov, the son of Saparmurat Niyazov, now living in Vienna, and unnamed foreign businessmen. No official announcement of the Rejepov case has been made by government-controlled media in Turkmenistan since May 15, when an official statement was made that Rejepov had been "relieved of his duties."

Turkmen émigré Bayram Shikhmuradov told *Kommersant* that Murat Niyazov was instrumental in the prosecution of the Rejepovs and their long-time family business associate, Murat Agaev, said to be a classmate of Niyazov's daughter. Agaev was manager of Oriental, a company dealing in alcohol and cigarettes controlled by Murat Rejepov and protected by Akmurat Rejepov. After Saparmurat Niyazov's death, Akmurat Rejepov was said to bar the family from attempting to expatriate their wealth, and cut Murat Niyazov off from his share in the firm's profits. Although uninvolved in Turkmen politics, Murat, who resides in Vienna, was angered at the loss of income and decided to cooperate with the new government to prosecute Oriental's partners. Several foreign businessmen also were said to be prohibited from leaving Turkmenistan and were obliged to testify in the case, as were officials from the previous regime who remain in the current government.

Kommersant speculates that the government has made no official announcement of the trials of the three figures involved in Oriental because they still hope to trace some of the "Turkmenbashi gold" and to dismantle Niyazov's cult of personality gradually.

d. Turkmen President Reprimands Airline Chief for Poor Performance--Opposition

Original title: *Chair of Turkmenhovaellary Airline Reprimanded*

Source: gundogar.org/07/29/07

Full version: <http://www.gundogar.org/?022500000000000000011062007070000#4775>

Synopsis: President Berdymukhamedov reprimanded Kurbaniyaz Tirkishov, chairman of the Turkmenhovallary Airline, for "shortcomings in his official duties" and also for a delayed and incomplete presentation of information concerning his sector of air transport, a presidential decree said, according to the opposition website gundogar.org. Tirkishov had been warned earlier for unsatisfactory job performance.

e. Niyazov Dictatorship Contributed to Turkmen Health Crisis: NGO

Original title: *The Effects of Dictatorship on Health: The Case of Turkmenistan*

Source: biomedcentral.com/07/30/07

Full version: <http://www.biomedcentral.com/1741-7015/5/21/abstract>

Synopsis: A new study by a physician and public health specialist published at biomedcentral.com explores whether the health crisis in Turkmenistan is "attributable to the consequences of the dictatorship under President Niyazov" who died in 2006. The basis for this paper was a series of semi-structured in-depth interviews with key informants complemented by an iterative search of Internet sites, initially published as a report in April 2005, and subsequently updated with feedback on the report as well as a comprehensive search of secondary information sources and databases.

The paper describes in depth three areas in which the dictatorship in Turkmenistan had a negative impact on population health: the regime's policy of secrecy and denial, which sees the solution to health care problems in concealment rather than prevention; its complicity in the trafficking of drugs from Afghanistan; and the neglect of its health care system. The paper concludes that dictatorship has contributed to the health crisis facing Turkmenistan. One of the first tests of the new regime will be whether it can address this crisis.

f. Turkmen Citizens Hope for Russian Entry Visa to Be Lifted

Original titles: *Again About Unemployment; Turkmen Citizens Hope for Russian Entry Visa Lift*

Source: *Turkmen Institute for Human Right*/07/30/07; 08/02/07

Full version: <http://www.chrono-tm.org/?0257043208000000000000011000000>

<http://www.chrono-tm.org/?0257043218000000000000011000000>

Synopsis: Unemployment in Turkmenistan is forcing Turkmen to go to Russia, Turkey and other countries in search of work, the Turkmen Institute for Human Rights reported on its website. Some 100 people a day purchase airline tickets for Istanbul at the ticket office in Turkmenabat, says TIHR. Turkey does not require entry visas from Turkmen citizens. TIHR recounts stories of young people who were unable to find a job after military service, or were forced to live with parents on their meager pensions, and sought foreign employment as a solution for their family's survival.

Turkmen are also hoping that visa restrictions on departure from Turkmenistan to Russia will be eased, particularly for those with dual citizenship. A dual citizenship agreement established by past president Saparmurat Niyazov and Russian President Vladimir Putin was suspended in 2003. Even those with Russian citizenship have faced long delays in renewing passports, however, and for those with only Turkmen citizenship, Russian visas can be difficult to obtain and must be renewed every 3 months by returning to Turkmenistan.

3. ECONOMIC NEWS

a. Turkmen Delegation Slated for China Trip

Original title: *Turkmen Delegation Slated for China Trip. Synopsis prepared by OSI Turkmenistan Project.*

Source: *Interfax Russian News Agency*/07/27/07

Full version: http://www.interfax.ru/e/B/politics/28.html?id_issue=11798840

Synopsis: A Turkmen governmental delegation will travel to Beijing July 29-31 to negotiate the construction of a gas pipeline and the terms of Turkmen gas export to China, Interfax reported. The group, to be headed by Tachberdy Tagiyev, Turkmen Deputy Prime Minister in charge of the oil and gas industry, is to work out details of agreements signed earlier this month to construct a pipeline connecting the two countries to develop the Bagtyyarlyk gas field near Uzbekistan. The Chinese National Petroleum Company signed a sales

and purchase agreement with Turkmengaz, the Turkmen state gas company, as well as a production-sharing agreement for Bagtyyarlyk with the Turkmen State Agency for Hydrocarbon Resources Management and Use.

Up to 30 bcm of natural gas is to be delivered from the right bank of the Amu River in Turkmenistan to China each year or over the course of 30 years starting in January 2009.

b. Turkmenistan, Kazakhstan to Negotiate Construction of Trans-Caspian Pipeline

Original title: *Turkmenistan, Kazakhstan to Discuss Construction of Trans-Caspian Pipeline. Synopsis prepared by OSI Turkmenistan Project.*

Source: *Interfax/07/30/2007*

Synopsis: Turkmenistan and Kazakhstan will continue negotiations in Almaty August 5-9 on construction of a Trans-Caspian pipeline, Interfax reported, citing the Turkmen State News Agency (TDH). Representatives from the Oil and Gas Industry and Mineral Resources Ministry, the Turkmengaz State Concern and the State Agency for Hydrocarbon Resources Management and Use will take part in the delegation to follow up on a tripartite May agreement to build the pipeline.

c. President of Turkmenistan Receives Heads of French Companies Bouygues and Total

Synopsis prepared by OSI Turkmenistan Project.

Source: *Turkmenistan Government Website/State News Agency/07/31/07*

Full version: http://www.turkmenistan.gov.tm/_eng/index.php?idr=1&id=070731b

Synopsis: President Berdymukhamedov received Olivier Bouygues and Aldo Carbonaro, Vice President and Senior Vice President, respectively, of the Bouygues Company of France, and Yves-Louis Darricarrere, General Director of Total, a prospecting and oil-and-gas production company, the presidential website and State News Agency reported.

Characterizing his company's relationship with Turkmenistan as "dynamic, constructive, and long-term," Bouygues noted large-scale urban projects under way in Turkmenistan, which were termed "progressive" for social and economic development. He introduced Bouygues' long-time partner Total, which is now exploring business prospects in Turkmenistan.

Among the projects discussed were a palace for the People's Assembly (Halk Maslahaty); administrative buildings for the Ministry of Construction and Construction Materials Industry and the Ministry of Communication; the Turkmenhaly State Joint-Stock Corporation, the Turkmen Carpet Museum and others.

d. President of Turkmenistan Receives Heads of French Companies CIFAL and TALE

Synopsis prepared by OSI Turkmenistan Project.

Source: *Turkmenistan Government Website/State News Agency/07/31/07*

Full version: http://www.turkmenistan.ru/?page_id=3&lang_id=en&elem_id=10686&type=event&sort=date_desc

Synopsis: On July 31, Turkmen President Berdymukhamedov met Gilles Remy of CIFAL and Jean-Paul Perye of TALE, the heads of two French companies with a long history of projects in Turkmenistan, including the installation of an air-traffic control system at the Ashgabat airport, turkmenistan.ru reported. Plans were discussed for modernization of the airport, quality assurance for pipeline systems, and exploration of oil and gas deposits. The French companies made a number of proposals, which will be studied by Turkmen ministries and agencies.

e. \$3.5 Billion TAPI Pipeline Pact To Be Drafted in Islamabad

Original Title: *USD 3.5 Billion TAPI Pipeline Pact Nearing Conclusion. Synopsis prepared by OSI Turkmenistan Project.*

Source: *Islamic Republic News Agency (IRNA)/PTI Indian News Agency/07/07/31*

Full version: <http://www2.irna.ir/en/news/view/menu-237/0707319877182450.htm>

Synopsis: After more than a year's wait, the \$3.5 billion Turkmen-Afghanistan-Pakistan-India [TAPI] gas pipeline is to go forward, with officials from the four nations planning to meet August 22-23 in Islamabad to draft an agreement, IRNA (Islamic Republic News Agency) reported, citing PTI, the Indian new agency. The project is supported by the Steering Committee of the Asian Development Bank. The agreement was delayed as India sought third-party certification that Turkmenistan had the reserves to back the export pipeline. After Turkmenistan presents its estimates, India and Pakistan will indicate the amount of gas they wish to import.

The meeting in Islamabad will also address a draft Gas Pipeline Framework Agreement for Turkmenistan to export gas to the other three countries. TAPI is expected to transport 100 mcm per day of gas, with India's share likely to be 60 mcm.

Unless otherwise indicated, all translations have been prepared by OSI's Turkmenistan Project.

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